

**DRAFTER'S NOTE**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRB-2335/1dn  
MDK&JTK:nwn:md

March 10, 2009

Rep. Zepnick:

Please review this bill to make sure it achieves your intent. In particular, please note the following:

1. The bill requires DOR to license tax preparers. Is that okay, or do you want another agency (such as DFI or DATCP) to issue the licenses?
2. Under current law, certified public accountants (CPAs) and attorneys are exempt from the privacy requirements that apply to tax preparers. However, I did not exempt them from the bill's licensure requirements and refund anticipation loan (RAL) prohibition. It may be that tax preparers do not hire CPAs and attorneys to prepare taxes and facilitate RALs. If this is the case, you may want to revise the bill to exempt CPAs and attorneys.
3. The bill has a delayed effective date of approximately one year to give DOR time to promulgate rules. I think rules are necessary because DOR will have to specify the qualifications and other requirements necessary for licensure. Also, the bill allows DOR to promulgate emergency rules in the event that DOR's permanent rules take more than one year to promulgate.
4. The bill allows DOR to keep all fees collected from the licensing of tax preparers for administrative purposes. Is that okay or do you want to provide a set dollar amount (the amounts in the schedule) for administering the program?
5. Do you wish to provide penalties for failing to have a license and failing to comply with the refund anticipation loan restrictions?

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